

# The influence of disability-friendly corporate branding on company brand equity in East Java

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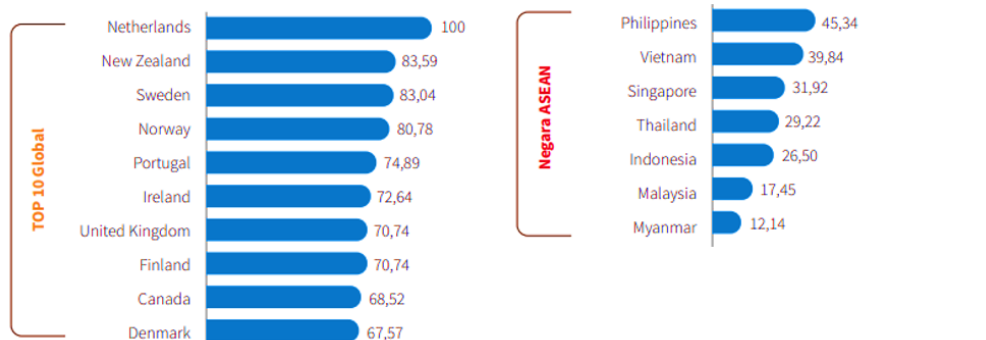
**Abstract.** This research analyzed the influence of disability-friendly corporate branding on corporate brand equity. Corporate branding is built through corporate values, corporate image, and corporate culture. This research uses a quantitative approach, with a population of corporate employees and customers in East Java. A purposive sampling technique was used to take samples from the population with the following criteria: (1) located in the East Java region; (2) an area with Special Needs High School with more than 50 students; (3) data recorded in the industrial directory in East Java Province region. A total of 180 respondents were obtained through distributing questionnaires online. The research data was then processed using SEM-AMOS to carry out analysis. The research results show that there is a significant influence of disability-friendly corporate branding on corporate brand equity. This research conducted research on company efforts to create disability-friendly branding for their companies using a corporate branding approach. Companies need to carry out corporate branding by through implementing the values of inclusivity, a corporate image that cares for people with disabilities, and a culture of equality. This will help companies to increase corporate brand equity which can provide company benefits that contribute to the implementation of SDGs 4, 8, and 10.

## 1 Introduction

Every individual in Indonesia is an important resource for Indonesia's development, including people with disabilities. People with disabilities are individuals who have a variety of potential, skills, and talents who can contribute to the development of Indonesia [1, 2]. Creation of inclusive and supportive workspaces, giving people with disabilities equal opportunities to participate in economic activities in Indonesia [1]. When every human resource owned has been properly optimized, it will have an impact on the progress and welfare of Indonesian citizens.

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**Fig. 1.** Global Inclusivity Index 2020 [3]

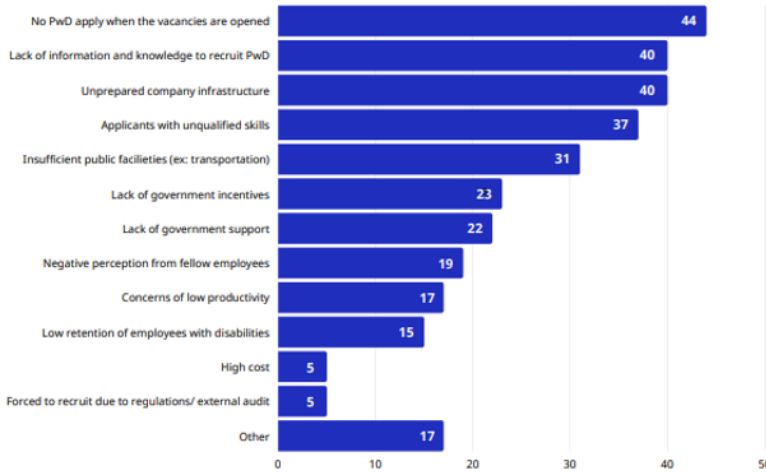
An environment that upholds the value of inclusivity is important for equality for people with disabilities [4]. To see the level of inclusiveness in Indonesia, the global inclusiveness index can be used as a reference to assess the level of inclusiveness. As can be seen in Figure 1, Indonesia is ranked 125th in the global inclusiveness index. This ranking shows that Indonesia is still far below the ranking when compared to other countries in terms of inclusiveness.

As awareness of the importance of social and economic inclusion for people with disabilities increases, various policies have been created in Indonesia to support and protect their rights. One important step is the issuance of UU Number 8, year 2016 concerning Persons with Disabilities, which provides a legal basis for the protection and fulfillment of the rights of persons with disabilities. Through this law, the government has recognized the right of people with disabilities to have equal access to various aspects of life, such as education, health, work, and public services. Not only laws but policies regarding the acceptance of workers with disabilities in employment providers, so that they get equal employment opportunities. Slowly, Indonesia has shown support for people with disabilities through efforts to create a more inclusive and justice society for people with disabilities, so that they can participate fully in the social and economic life of this country [5]. Of course, this is linear with the achievements of SDGs 4 (quality education), 8 (decent work and economic growth), and 10 (reduced inequalities).

The various supports provided to people with disabilities do not make them free from difficulties in finding work. People with disabilities are still faced with problems that prevent them from getting equal employment opportunities [6]. There are some businessmen who see people with disabilities as a negative thing. Insufficient physical and technological accessibility also becomes an obstacle for them to access the expected work environment. Not many employers understand the benefits of employing workers with disabilities [7].

The problem of absorbing disabled workers is also faced by job providers. These problems create obstacles for them to provide employment opportunities for people with disabilities. In Figure 2, you can see several things that are problems faced by the company. Concerns about decreased productivity, high costs, negative perceptions, and lack of support from the government are some of the problems they face. The biggest problem that is most often faced is the lack of insight in recruiting people with disabilities

and the absence of people with disabilities registering for the job vacancies that have been provided.



**Fig. 2.** Barriers to Companies in Recruiting Persons with Disabilities [8]

Various challenges faced by companies in absorbing workers with disabilities, several companies "dare" to appear as disability-friendly companies and employ them. These companies open special recruitment for people with disabilities and employ them within the company environment. This will have an impact on the company, such as the consequences of providing disability-friendly facilities, an equal work culture, and an inclusive work environment. Companies are also faced with the possibility of negative perceptions, such as inefficiency which can have an impact on increasing product costs. This interesting phenomenon of companies with disability-friendly branding is the focus of this research. The company's decision to become a disability-friendly company, which has not been done by many other companies, is an interesting thing in this research. The use of the corporate branding approach as an approach in analyzing this phenomenon was carried out to answer this research. Corporate branding can provide benefits to the company by increasing the company's brand equity. So, can disability-friendly corporate branding affect a company's brand equity? This is the question that wants to be answered through this research.

This research aims to analyze the influence of disability-friendly corporate branding in companies on the company's brand equity. So that the results of the analysis can provide benefits for the company, including determining a strategy to increase its brand equity. Simultaneously, when companies begin to strive to become disability-friendly companies, people with disabilities get the opportunity for equal service as customers and employees, and support the achievement of SDGs from the aspect of education and reducing disparities.

## 2 Literature review

## **2.1 Corporate branding**

A company with a strong and positive image starts from the company's steps in carrying out corporate branding [8]. Corporate branding is known as a process of forming a company's image and identity to be known and identified by stakeholders [8, 9]. The stakeholders in question are customers, employees, the general public, and other stakeholders. Efforts to implement corporate branding companies aim to make the company appear different from other companies, creating a positive and strong perception as desired by the company. The company's success in carrying out corporate branding will open up various new and interesting opportunities for the company now and in the future [10].

Companies need to pay attention to several things in their efforts to implement corporate branding. Companies need to ensure they are able to build trust [11, 12]. Through this trust, stakeholders will assess the company as a company that is reliable, has social responsibility, and has a positive impact on them. Companies also need to carry out consistent communication in their efforts to carry out corporate branding [9, 13]. The communication carried out aims to strengthen the brand image and build the desired impression in the perception of stakeholders.

In this research, the company's corporate branding is a disability-friendly company. The company establishes itself as a company that supports justice for people with disabilities. Disability-friendly values, culture and image will be built by the company based on the perceptions of its stakeholders. This process will have an impact on decision-making within the company, such as providing disability-friendly facilities, accepting employees with disabilities, as well as company programs and policies related to disability-friendly inclusivity.

## **2.2 Brand equity**

Brand equity is a valuable asset for a company for long-term success [14]. As a company brand value, brand equity can be seen in the form of positive or negative perceptions of the company brand among stakeholders [15]. A company's brand equity can increase the company's value in the market, differentiating the brand from other companies [16]. This supports the company to be known by its stakeholders, so that the company is able to compete in the long term.

A company's brand equity is influenced by the company's corporate branding as a disability-friendly company. Through corporate branding, companies can be assessed as companies that support the values of inclusiveness and strengthen the company's image as a socially responsible company. Through this process, an emotional connection will be created between the company and its stakeholders, supporting the company, and ultimately increasing the company's brand equity [15]. Through disability-friendly corporate branding, companies can generate a positive reputation. The company will appear as a company that actively promotes inclusivity, especially for people with disabilities. This will affect the company's brand awareness. In the context of people with disabilities, corporate branding will contribute to the development of strong brand equity, which can provide benefits for companies in the future.

### 3 Methods

This research uses a quantitative approach to answer research questions. The research population is East Java Province which has 5,578 large and medium industries based on the 2019 BPS East Java Statistics. Sample selection was carried out using a purposive technique with the following criteria: (1) located in the East Java region; (2) is an area that has senior high school for special needs with more than 50 students; (3) data recorded in the industrial directory in the East Java Province region with complete data so that questionnaires can be sent either by email, telephone or postal mail.

**Tabel 1.** Research Sample

Details	Total
1. Regencies and cities in East Java	38 regency & city
2. Have less than 50 Senior High Schools for special needs or are not recorded in the directory of schools with special needs in East Java province	26 regency & city
3. Number of industries in 8 regencies and cities	3.089
4. Number of industries that have complete data in the directory of the Regency/City Regional Government Industry and Trade Service	1.012
5. Samples per region	
5.1 Pasuruan Regency	39
5.2 Kediri City	204
5.3 Surabaya City	482
5.4 Malang Regency	238
5.5 Bojonegoro Regency	18
5.6 Sidoarjo Regency	630
5.7 Mojokerto Regency	228
5.8 Gresik Regency	312
6. Total sample sent questionnaire	2.151
7. Completed and returned questionnaires	212
8. Questionnaire that can be processed (completely filled out)	180

The sample selection took into account the number of Senior High Schools for special needs in a region because this indicates a large number of potential disabled workers. Meanwhile, the selection of large and medium industrial areas is adjusted to the existence of the Senior High School for special needs. There were 3 regions excluded from the sample, namely Blitar, Trenggalek and Madiun Regencies, because even though there were more than 50 students at Senior High School for special needs, the number of large and medium industries was not significant. On the other hand, there are areas with less than 50 students of Senior High School for special needs but they are industrial areas so they are still included in the sample, namely Gresik and Sidoarjo districts. Thus, the final sample was 180 companies that filled out the questionnaire completely. The questionnaire was sent via post, email and telephone contact which was followed up by

filling it out directly. The weakness of the questionnaire data distributed is that more than 50% of respondents did not fill in data on industrial location areas and industrial classifications so they could not have complete demographic data.

A research questionnaire was created to obtain research respondent data. The questionnaire was distributed online using Google Forms to make it easier for respondents to complete it. A Likert scale of 1-5 was used in the study with a scale of 1 representing a response of "strongly disagree" and 5 representing "strongly agree". Corporate branding was measured using 10 items adopted from previous research [17]. Brand equity was measured using 9 items adopted from previous research questionnaires [18]. The results of the respondent data will then be processed using SPSS and AMOS to carry out hypothesis testing, answering this research question.

**Table 2.** Research Questionnaire Items

Corporate Branding (Adapted from Chiang et al. 2013) [17]	Our company values employee contributions to inclusiveness and disability-friendly values
	Our company conveys the values and image of a disability-friendly company through official company channels
	Our company conveys the values and image of a disability-friendly company to stakeholders
	Every part of the company strives to support activities to increase its disability-friendly image
	Every part of the company discusses how employees implement a culture of equality
	Our company receives input from stakeholders regarding the implementation of a disability-friendly environment
	Our company has disability-friendly facilities
	Our company ensures that every new employee in the company understands its values and disability-friendly culture
	Our company conveys the company's hopes of becoming a disability-friendly company through various information channels
	Our company conveys disability-friendly values, image and culture to every employee in the company through various channels
Brand Equity (Adapted from Chang et al. 2015) [18]	I consider myself loyal to disability-friendly companies
	Disability-friendly companies are my first choice
	I would buy a disability-friendly company's product over another product option
	The quality of disability-friendly company products is better
	The company's disability-friendly products are useful to me
	I was able to recognize a disability-friendly company brand
	I am aware that disability-friendly companies exist
	The company's disability-friendly characteristics became a part of me
	I easily remember disability-friendly companies

## 4 Result and discussion

### 4.1 Respondent characteristics

Research data was obtained through questionnaires distributed to target respondents according to established criteria. From the data collection carried out, information was obtained on the characteristics of the research respondents. The recapitulation of respondent characteristics can be seen in the following table.

**Table 3.** Respondent Characteristics

No	Characteristic	Total	Freq	
1	Gender	Male	94	52%
		Female	86	48%
2	Age	20-30 y.o.	44	24%
		30-40 y.o.	93	52%
		40-50 y.o.	31	17%
		Above 50 y.o.	12	7%
3	How Long Have You Worked?	Less than 1 year	21	12%
		1-2 years	56	31%
		3-4 years	75	42%
		More than 4 years	28	15%
4	Working Location Area	Pasuruan Regency	2	1%
		Kediri City	17	10%
		Surabaya City	43	24%
		Malang Regency	20	11%
		Bojonegoro Regency	1	1%
		Sidoarjo Regency	54	30%
		Mojokerto Regency	17	9%
		Gresik Regency	26	14%

Based on Table 3, the characteristics of the respondents in this study can be seen. For gender, there is an almost even distribution between men and women. For age, most respondents were in the 30 to 40 years range (52%). Regarding how long they have worked, most have worked for a long time in the range of 3 to 4 years (42%). For regional distribution, the majority of respondents were in the Sidoarjo district area, 30%. It is interesting that it was found that most of them were at a time when their careers were already starting to become established, judging from the age at which they had entered the old adult stage and had worked for quite a long time. Some respondents were familiar with the office situation they occupied

### 4.2 Validity and reliability test

The research data obtained was tested to see whether it met the requirements for validity and reliability. Testing was carried out using AMOS, by looking at the loading factor, CR and AVE values of each variable. The test results can be seen in the Table below.

**Table 4.** Validity and Reliability Test

Variable	Item	Loading Factor	CR	AVE
Corporate Branding	CB1	0.704	0.926189	0.557091
	CB2	0.74		

	CB3	0.752		
	CB4	0.807		
	CB5	0.74		
	CB6	0.764		
	CB7	0.802		
	CB8	0.708		
	CB9	0.744		
	CB10	0.694		
Brand Equity	BE1	0.764	0.913833	0.541136
	BE2	0.734		
	BE3	0.742		
	BE4	0.731		
	BE5	0.773		
	BE6	0.721		
	BE7	0.73		
	BE8	0.704		
	BE9	0.719		

It can be seen in Table 4 that there are 10 questionnaire items for corporate branding and 9 questionnaire items for brand equity which have been tested for validity and reliability. Validity can be seen from the loading factor value of each question item. A question item is declared valid when the value is more than 0.5. From Table 4, there are no loading factor values below 0.5, indicating that each questionnaire item is valid. For reliability, it can be seen from the CR and AVE values of each variable. It is declared reliable when the CR value is more than 0.7 and the AVE value is above 0.5. Looking at table 3 above, each variable meets the CR and AVE value requirements and is declared reliable. After that, it can be continued at the next analysis

### 4.3 Normality test

The research data that has been obtained needs to be tested for the normality of the data before proceeding to the hypothesis analysis stage. A normality test was carried out using AMOS. The test results can be seen in the following table.

**Table 5.** Normality Test

Variable	min	max	skew	c.r.	kurtosis	c.r.
BE9	2	5	-0.537	-2.943	-0.527	-1.443
BE8	1	5	-0.698	-3.825	-0.232	-0.635
BE7	2	5	-0.584	-3.199	-0.425	-1.164
BE6	2	5	-0.696	-3.814	-0.463	-1.268
BE5	2	5	-0.708	-3.88	-0.261	-0.714
BE4	2	5	-0.518	-2.838	-0.541	-1.483
BE3	1	5	-0.669	-3.667	-0.345	-0.945
BE2	2	5	-0.528	-2.892	-0.267	-0.732
BE1	2	5	-0.568	-3.11	-0.419	-1.148



CB1	2	5	-0.51	-2.794	-0.708	-1.94
CB2	2	5	-0.621	-3.404	-0.391	-1.072
CB3	2	5	-0.727	-3.98	-0.352	-0.964
CB4	2	5	-0.791	-4.334	-0.111	-0.304
CB5	2	5	-0.396	-2.169	-0.757	-2.072
CB6	2	5	-0.526	-2.883	-0.604	-1.654
CB7	2	5	-0.667	-3.651	-0.667	-1.826
CB8	2	5	-0.464	-2.539	-0.726	-1.987
CB9	2	5	-0.745	-4.082	-0.356	-0.975
CB10	2	5	-0.674	-3.69	-0.362	-0.992
Multivariate					5.875	<b>1.395</b>

In table 5, you can see the results of the normality test using AMOS. Research data is considered normal when the value is smaller than 2.58. From the multivariate values in the table, it is known that the value is 1.395. These results state that the research data is normal. Research data can then be used to test research hypotheses

#### 4.4 Model fit test

Research model fit testing was carried out by looking at several model fit indicators through AMOS. The results of model fit testing can be seen in the following Table 6.

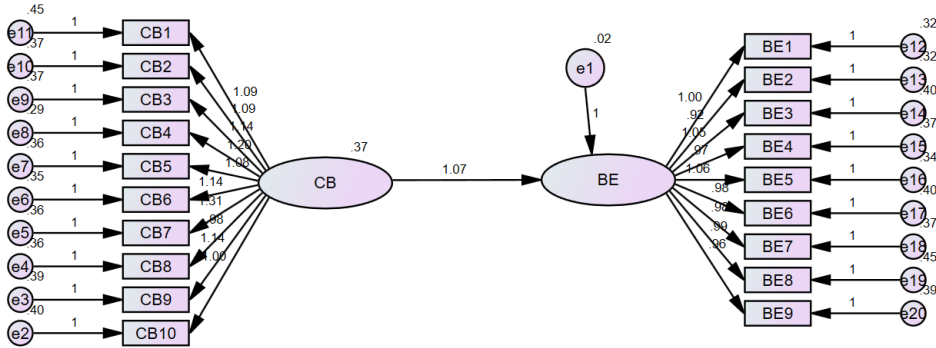
**Table 6.** Model Fit

Item	Accepted Fit	Results	Conclusion
CMIN/DF	< 3=acceptable fit	1.645	Model Fit
GFI	1 = perfect fit	0.874	Model Fit
AGFI	> 0.9=acceptable fit	0.842	Model Fit
TLI	1 = perfect fit	0.950	Model Fit
RMSEA	< 0.05 = reasonable fit	0.060	Model Fit

The fit model of this research model can be seen from the results of Table 6. The CMIN/DF value indicates an acceptable fit when the value is below or equal to 3. With a research CMIN/DF value of 1,645, it can be assessed as meeting the fit model. The Goodness of fit (GFI) and Adjusted Goodness of fit (AGFI) values are said to be a perfect fit when the value is 1. With a research GFI value of 0.874 and AGFI of 0.842, it can be assessed as meeting the fit model. The TLI value is considered to be closer to 1, the more it represents a very good fit. With a research TLI value of 0.950, it can be assessed as meeting the model fit. The Root Mean Square Error of Approximation (RMSEA) value has a good model fit when the value is below or equal to 0.05. With a research RMSEA value of 0.060, it can be assessed as meeting the model fit. Overall, this research model meets the criteria for being a fit model

### 4.5 Hypothesis testing

Research answers will be found by testing research hypotheses. In this research, hypothesis testing was carried out using AMOS with the results can be seen in the image below.



**Fig. 3.** AMOS Test Results

The AMOS test results can be seen in Figure 3. To answer the hypothesis, the estimated value can be seen in the AMOS test results. The relationship value can be considered significant if the value is below 0.05. The results of this study show that the relationship between corporate branding and brand equity is 0.000. So H1 is accepted. There is a significant relationship between corporate branding variables and brand equity.

Through this research, corporate branding is proven to have a significant influence on brand equity, as in previous research [18, 19]. Strong corporate branding has become an important factor in building sustainable brand equity and winning over stakeholders in the interests of the company. When a company consistently shows its commitment to supporting and understanding the needs of people with disabilities, it creates a positive perception among stakeholders, including customers, employees and the general public. These values form a strong foundation for building sustainable brand equity.

The brand image built through disability-friendly corporate branding is key in influencing consumer perceptions. The brand image reflects how the company is seen by society [20, 21]. In this context, brand image includes the impression of the extent to which a company respects people with disabilities, whether through products, services or internal policies. A positive image of support for people with disabilities can influence consumer loyalty and brand preferences, ultimately contributing to strong brand equity.

Disability-friendly corporate branding has a significant impact on companies. Values that reflect inclusion, a positive brand image, and an inclusive corporate culture play a role in shaping consumer and stakeholder perceptions of the brand. When a company consistently supports people with disabilities in all aspects of its operations, it creates a strong foundation for building positive and sustainable brand equity.

The results of this research have several things that companies can implement to become disability-friendly companies. As is known, companies with a disability image have various benefits for the long-term sustainability of the company. This is because

stakeholders can see the company's commitment to creating an inclusive and justice environment, especially for people with disabilities. Especially for stakeholders who care about the values of equality and welfare for all parties.

Through efforts to implement disability-friendly corporate branding, companies must begin to include the values of inclusion, social responsibility and support for people with disabilities as the core of their brand identity. This is reflected in an inclusive company culture, which supports the acceptance and employment of employees with disabilities, and in the design of products and services that take accessibility into account. A positive brand image develops through appropriate communications that highlight the company's commitment to disability issues. As the company's brand equity increases, the company will gain various benefits from this action, which also has the impact of encouraging other companies to do the same. This will also support the achievement of SDGs targets 4 (quality education), 8 (decent work and economic growth), and 10 (reduced inequalities).

## 5 Conclusion

This research aims to analyze the influence of disability-friendly corporate branding on company brand equity. Disability-friendly company branding is built on the values of inclusivity, the image of a company that cares for people with disabilities, and a culture of equality. Through this research, empirical evidence was obtained that disability-friendly corporate branding has an effect on company brand equity. The research was carried out only in the East Java area which has industrial centers and senior high schools for special needs, which is a research limitation in generalizing the research results. Further research can add variables that can develop research on corporate branding, especially in the context of people with disabilities

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